

PERSONAL EXPLANATION

HON. XAVIER BECERRA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 25, 1999

Mr. BECERRA. Mr. Speaker, on February 25, 1999, I was unavoidably detained during a rollcall vote: number 27, on Approving the Journal. Had I been present for the vote, I would have voted "aye."

TRIBUTE TO BARTON E.
WOODWARD

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 25, 1999

Mr. SCHAFFER. Mr. Speaker, I rise today to pay tribute to the late Barton E. Woodward, a Colorado water expert, who recently passed away at the age of 57.

Woodward was born near Snyder, Colorado, in 1941. He was a 1959 graduate of Snyder High School and received his degree in broadcast engineering in 1963 from Bob Jones University. Also in 1963, he and Roxanne Miller celebrated their marriage, and then moved to the family farm near Snyder.

In addition to being a farmer, Woodward pursued other interests including computer consulting and water engineering. For the past 15 years, he was very active in Colorado water issues, including serving on the board of directors of the Riverside Irrigation District and most recently as the district superintendent. As superintendent, he was instrumental in the construction of Vancil Reservoir.

He has also served as president of the Groundwater Appropriators of the South Platte since 1984 and currently was on the board of directors of the South Platte Lower River Group. He was a long-time member of Colorado Water Congress and former president, and also served as president of the Pioneer Water and Irrigation District.

Woodward also served the community as an activist in the Republican Party, serving as Morgan County Republican Party Chairman and on the Republican Central Committee.

Mr. Speaker, I am proud to pay tribute to this man whose friends, including me, knew him to be a man of compassion, integrity and honesty. When he gave his word, you could count on it. His passion for agriculture and knowledge of resources will be sorely missed by the agricultural and water communities of eastern Colorado.

OUR THANKS TO SUSAN L.
TAYLOR

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 25, 1999

Mr. PAYNE. Mr. Speaker, I would like to ask my colleagues here in the U.S. House of Representatives to join me in expressing appreciation to a remarkable woman of our times who will be lending her support to a school in my Congressional District this weekend, Ms. Susan L. Taylor.

Editor in Chief of Essence Magazine and Senior Vice President of Essence Communications, Ms. Taylor still manages to give generously of her time so that others might enjoy a fuller and richer life. On Saturday, March 27, she will be featured as the keynote speaker at an event entitled "An Afternoon of Inspiration" in support of New Hope Academy in Newark, New Jersey, so that the school may continue to offer young people the chance to achieve their dreams. She is a believer in the African proverb that "It takes a whole village to raise a child."

I was fortunate to serve on a panel at Essex County College several years ago with Ms. Taylor where the discussion centered around the challenges facing single parents. Her presentation was so impressive and dynamic that years later, people are still coming up to me and commenting about how well they recall that discussion.

Ms. Taylor has inspired many others with her outstanding professional success. Under her leadership, Essence Magazine enjoys a monthly circulation of 1 million and a readership of 7.6 million.

Mr. Speaker, I know my colleagues share my appreciation for Ms. Taylor's generosity in sharing her time and talents with others. We thank her for her appearance in support of New Hope Academy and wish her continued success.

TRIBUTE TO NELLIE MACKAY

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 25, 1999

Mr. SERRANO. Mr. Speaker, I rise today to pay tribute to Ms. Nellie Mackay, an outstanding individual who has dedicated her life to public service. She will be honored this Saturday, March 27, by parents, family, friends, and professionals for her outstanding contributions to the community at the Sixth Annual Senior Citizen Luncheon hosted by the Patterson Volunteer Committee, Inc. at the Mott Haven Community Center.

Born in Elkton, Tennessee, Ms. Mackay moved to New York and has been a resident of Patterson Houses for 32 years. A 1986 graduate from Vermont College and graduate of Medical Aide Training School in 1997, she has certainly shown the importance of life long learning.

She is a Bronx State Committee member and a member of Community Planning board #1. Through her years of service, she has served on the National Advisory Council of Save a Marriage, the City of New York Child Abuse and Maltreatment committee, and New York University Food Service and Management program among many others.

Mr. Speaker, Nellie also visits Middletown New York Prison once a year to do a Black History workshop with inmates. She was the representative for Senior Citizens for Social Security from 1973 until 1975 and in 1979 she ran a workshop for children from the Mott Haven Day Care Center about their heritage, which appeared in Big Red newspaper. She has been involved in a wide variety of community activities, including volunteer work with the elderly and marriage counseling.

The business, professional, and civic organizations to which she belonged, like the honors

and awards she was given are almost beyond counting.

Mr. Speaker, I ask my colleagues to join me in recognizing Ms. Nellie Mackay for her outstanding achievements and her enduring commitment to the community.

FIRST-TIME HOMEBUYER
AFFORDABILITY ACT

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 25, 1999

Mr. LaFALCE. Mr. Speaker, today I am introducing the First-time Homebuyer Affordability Act. I am joined in this effort by 20 original cosponsors. I am also pleased to announce that Senator KERRY (D-MA) will be introducing this legislation in the Senate.

This bill is a pro-homeownership initiative, based on the principle of empowering families and individuals to use funds in their own retirement accounts to buy a home.

The First-time Homebuyer Affordability Act unlocks the \$2 trillion currently held nationwide in Individual Retirement Accounts (IRA's) for homeownership use. It does so by allowing individuals to borrow up to \$10,000 from their own IRA (or from their parent's IRA) to use as a downpayment on a first-time home purchase. Since funds are borrowed, rather than withdrawn, the homebuyer does not incur Federal taxes or a premature withdrawal penalty.

This bill is a targeted effort to narrow the arbitrary disparity between treatment of 401(k) retirement plans and IRA retirement plans. Under current law, individuals may borrow from their 401(k) retirement account without paying taxes for a broad range of purposes, including buying a home. Yet, individuals cannot borrow or otherwise use funds in their IRA for personal use, even to buy a home, without incurring Federal taxes. This is a significant and inequitable impediment to homeownership.

Two years ago, Congress took a modest step toward lowering financial barriers to the use of IRA funds for home purchase—through enactment of a waiver of the 10 percent premature withdrawal penalty for withdrawal of up to \$10,000 from an IRA account for a first-time home purchase. However, such a withdrawal still subjects the homebuyer to Federal taxes on the amount withdrawn. For a \$10,000 withdrawal by a typical taxpayer in the 28 percent tax bracket, this creates a Federal tax liability of \$2,800—leaving only \$7,200 for a downpayment on a home purchase.

Under the First-time Homebuyer Affordability Act, funds may be borrowed tax- and penalty-free from an IRA account for a period of up to 15 years, either on a fully amortized or interest only basis. The loan must be repaid if the house is sold or if it ceases to be a principal residence. When the loan is repaid, the funds are restored in the IRA account, fully available for re-investment on a continuing tax-deferred basis.

Alternatively, the bill permits use of IRA funds for a first-time home purchase as a home equity participation investment. Under this approach, IRA funds are used for downpayment; when the house is sold, the investment, plus a share of the profit from home sale (typically 50 percent) is repaid to the IRA account.

The purpose of IRAs is to encourage long-term savings and investment, to provide a financial cushion in retirement. Yet, even though buying a home is one of the best investments an individual can make, it is not an eligible IRA investment. Allowing an individual to borrow from their IRA to buy a home effectively makes this an eligible investment.

Allowing IRA borrowing for home purchase would also eliminate a disincentive against IRA contributions. Many young families and individuals are hesitant to tie up funds in an IRA account that they may need later to buy a home. And, IRA borrowing for home purchase does not deplete the IRA account, since the funds are replenished when the loan is paid back.

Finally, this legislation is responsibly drafted, to prevent self-dealing and generally track provisions of 401(k) loans. Nonpayment or forgiveness of the loan is treated as a premature withdrawal. In such event, the unpaid amount would be subject to Federal taxes and a 10-percent premature withdrawal penalty.

Other protections include a prohibition against taking an interest deduction on the borrowed funds, and a limitation that loan rates cannot vary by more than 200 basis points (2 percent) from comparable Treasury maturities.

As Congress considers proposals to create new individualized retirement accounts, it is important to structure such accounts in a way that provides access for home purchase. But, it is equally important to remove the significant tax barriers to home purchase for the \$2 trillion in existing IRA retirement assets. The "First-time Homebuyer Affordability Act" accomplishes that important goal.

FEDERAL PRISONER HEALTH CARE COPAYMENT ACT

HON. MATT SALMON

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 25, 1999

Mr. SALMON. Mr. Speaker, I rise to introduce the Federal Prisoner Health Care Copayment Act, which would require Federal prisoners to pay a nominal fee when they initiate certain visits for medical attention. Seventy-five percent of the fee would be deposited in the Federal Crime Victims' Fund and the remainder would go to the Federal Bureau of Prisons (BOP) and the Marshals Service for administrative expenses incurred in carrying out this Act. Each time a prisoner pays to heal himself, he will be paying to heal a victim. The U.S. Department of Justice supports the Federal inmate user fee concept, and has worked on crafting the language contained in this bill.

Most law-abiding Americans pay a copayment when they seek medical attention. Why should Federal prisoners be exempted from this responsibility?

This reform on the Federal level is overdue. Health care costs for Federal prisoners has risen considerably over the past several years. Only a handful of states exceed the Federal system in the cost of care per inmate. Establishing a copayment requirement would exert an immediate downward pressure on prison health care costs.

States have recognized the value of copayment programs, and they have proliferated in

recent times. Now, well over half of the states (at last count 34) have copayment programs on a statewide basis, including Alabama, Arizona, California, Colorado, Connecticut, Delaware, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Minnesota, Mississippi, Nevada, New Hampshire, New Jersey, North Carolina, Ohio, Oklahoma, Rhode Island, South Dakota, Tennessee, Texas, Utah, Virginia, Washington, West Virginia, and Wisconsin. Additional states are considering implementing copayment programs. Moreover, at least half of the states—some of which have not enacted this health care reform on a statewide basis—have jail systems that impose a copayment on inmates seeking certain types of health care.

Copayment programs have an outstanding record of success on the State level. In June 1996, the National Commission on Correctional Health Care held a conference that examined statewide fee-for-service programs. Dr. Ron Waldron of the Bureau of Prisons concluded that "inmate user fees programs appear to reduce utilization, and do generate modest revenues."

Evidence of the effectiveness of copayment programs continues to surface. Tennessee, which began requiring \$3 copayments in January 1996, reported in late 1997 that the number of infirmary visits per inmate had been cut almost in half. In August, prison officials in Ohio evaluated the nascent State copayment law, finding that the number of prisoners seeing a doctor had dropped 55 percent and that between March and August the copayment fee generated \$89,500. And in my home state of Arizona, there has been a reduction of about 30 percent in the number of requests for health care services.

Copayment programs reduce the overutilization of health care services without denying the indigent of necessary care. In discouraging the overuse of health care, prisoners in true need of attention should receive better care. Taxpayers benefit through the reduction in the expense of operating a prison health care system. And the burden of corrections officers to escort prisoners feigning illness to health care facilities is reduced.

The Federal Prisoner Health Care Copayment Act provides that the Director of the Bureau of Prisons shall assess a nominal fee for each health care visit that he or she—consistent with the Act—determines should be covered. The legislation also allows state and local facilities to collect health care copayment fees when housing federal prisoners.

The Federal Prisoner Health Care Copayment Act prohibits the refusal of treatment for financial reasons or appropriate preventative care.

Finally, the Act requires that the Director report to Congress the amount collected under the legislation and an analysis of the effects of the implementation of this legislation on the nature and extent of health care visits by prisoners.

Congress should speedily enact this important prisoner health care reform bill. I look forward to working with my colleagues and the Department of Justice to pass this proposal.

PROVIDING FOR CONSIDERATION OF H.R. 975, REDUCING VOLUME OF STEEL IMPORTS AND ESTABLISHING STEEL IMPORT NOTIFICATION AND MONITORING PROGRAM

SPEECH OF

HON. BRIAN BAIRD

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 17, 1999

Mr. BAIRD. Mr. Speaker, I rise today to express my support for this legislation, that seeks to address the serious steel dumping problem which has resulted in the loss of over 10,000 steelworker jobs nationwide; but also to inform my colleagues about a concern that I have about some potential impacts of such legislation.

Mr. Speaker, I do believe that the rapid escalation of steel imports into the United States over the past eighteen months has reached crisis levels. Reports indicate that steel imports increased by 72 percent from November of 1997 to November of 1998, and that increase has led to staggering layoffs and reductions in work hours for those working in our nation's steel industries. Those layoffs and work stoppages have seriously concerned me and should alarm all of us.

During that period, imports from Japan were up 260 percent, imports from Russia advanced 262 percent, and those from Korea increased by over 220 percent. Imports from Brazil, Ukraine, China, Indonesia, and South Africa have steadily grown. In some cases, foreign manufacturers have been shown to have sold steel for well under the cost of production.

It is clear that the United States must take strong action to ensure the enforcement of our trade policies. Mr. Speaker, I support policies that enhance U.S. trade partnerships, but I also believe that we must demand fair and responsible trade behavior from those partners. Our nation must not stand idle while our laws are flagrantly violated. Therefore, I strongly support the intent of H.R. 975 and the measures that the legislation would implement to control steel import levels at pre-crisis levels.

However, my concern lies in the potential impact that this legislation may have on a manufacturer in my district—a manufacturer that would face legitimate hardship under the current version of the bill.

The district which I represent, Washington's third district, includes several steel and aluminum production facilities. One of these facilities is The Broken Hill Proprietary Coated Steel Corporation (BHP CSC), located in the city of Kalama. In December of 1997, BHP began production of cold rolled full hard steel and galvanized sheet steel that is frequently used in the metal building and construction industries. The facility annually utilizes approximately 350,000 tons of hot band steel in the manufacture of over 300,000 tons of bare and painted sheet steel products.

Unfortunately, I have been informed that availability of the hot band steel needed for this plant is limited from domestic producers. The technologies utilized in the manufacturing process at the Kalama facility apparently require that very specific requirements be met for the quality, physical properties and size of the hot band steel used as a raw material, and